

# Indiana House of Representatives

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## News and Information

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### **DENBO BILL TO GIVE FILM PRODUCTION TAX INCENTIVES PASSED OUT OF COMMITTEE**

INDIANAPOLIS -- House Bill 1639, legislation that was coauthored by State Rep. Jerry Denbo (D-French Lick), passed out of the House Commerce, Economic Development and Small Business Committee. The bill seeks to draw film and audio production companies to Indiana by providing a variety of tax incentives.

Denbo presented a similar bill during last year's session.

The bill would give film and audio production a 30 percent credit on Indiana state tax liability. If no tax liability existed, this credit would be transferable to investors or could be sold. A second provision is a sales tax exemption for production-related equipment purchased in Indiana.

Film and audio production companies would have access to the capital investment tax credit and the Hoosier Business Investment tax credit. Filming on state-owned property, including public universities, would be free. Finally, film and audio production training programs would be offered by the Indiana Department of Workforce Development.

"Indiana needs to look at the film and audio production industry as a viable industry to foster economic development in the state," said Denbo. "Industry is not just factories with smokestacks. We need to start rethinking the economy."

Currently, film and audio production contributes \$350 million to Indiana's economy. However, film production only comprises \$5 million of this total. Other states with incentives similar to Indiana's have experienced a boom in film investment. In Louisiana, film investment increased tenfold in a single year, from \$20 million to \$200 million.

Hollywood is already taking notice of the proposed tax incentives. Angelo Pizzo, the writer and producer of the movies *Hoosiers* and *Rudy*, testified in front of the House Commerce Committee in favor of House Bill 1639.

"We must think creatively if we want to expand Indiana's economy," said Denbo. "Manufacturing jobs are moving to Mexico and China. By encouraging the film and audio production industry in Indiana, we can foster economic expansion."

House Bill 1639 now moves to the Indiana House of Representatives for further discussion.